

STATE OF UTAH

Fund Information

FINET Name: (FIN) Mineral Lease Account

FINET Fund: 1326

Legal Name: Mineral Lease Account

Legal Authorization: UCA 59-21-1; UCA 59-21-2; UCA 35A-8-301

Earns Interest: ☐ Yes ☒ No **Earns Interest Authority:**

Revenue Source(s):

1) Per the United States Mineral Lands Leasing Act, federal mineral lease monies except mineral lease bonus payments allocated per UCA 59-21-1(2) and (3).

Description:

(Fund # through FY1984 was 910200).

Money received from the United States under the "Mineral Lands Leasing Act" (1920) for planning construction and maintenance of public service, and housing, giving priority to these subdivisions of the state socially or economically impacted by development of minerals.

The 1999 Legislature through HB96 allocated monies attributable to royalties from the extraction of minerals on certain lands located with the Grand Staircase-Escalante National Monument (see subsection 4 below).

The 1999 Legislature (SB187) allocated rentals and royalties attributed from acquired state lands (Utah Schools and land Exchange Act of 1998) as follows: 2.25% that would have gone to the Utah Geological Survey and 2.25% to the State Board of Education will be allocated to the Rural Electronic Commerce Communications System Fund (#206)(See UCA 59-21-4 (2)).

The 2000 Legislature (SB 55) changed the allocation of mineral lease revenues both before and after mineral lease payments are deposited into the Mineral Lease Account (Fund 117). Allocations are as follows:

1) Prior to deposit into the Mineral Lease Account:

SITLA receives up to 8% for administrative costs, and the remaining 92% is divided as follows:

A) For mineral lease rents on exchanged lands:

50% to the Land Grant Management Fund (Fund 530)

2.84% to the Rural Development Fund (Fund 205)

7.5% to the Rural Electronic Commerce Fund (Fund 206)

10% to the Constitutional Defense Restricted Fund (Fund 078)

the remaining 29.66% goes into the Mineral Lease Account (Fund 117)

B) For mineral lease royalties from the Grand Staircase-Escalante National Monument:

17.75% to the Permanent State School Fund

2.25% to Utah Geological Survey

40% to the State Board of Education

40% to UDOT for distribution to special districts

2) Distributions from the Mineral Lease Account (Fund 117):

2.25% to Utah Geological Survey

2.25% to the State Board of Education

40% to UDOT for distribution to special districts

5% to DCED for distribution to special districts

2.25% to USU Water Research Lab

52 cents per acre to counties as payments in lieu of taxes

32.5% plus remaining balance to the Permanent Community Impact Fund (Fund 655)

SB 36 (2003 GS) Allows public institutions of higher education to receive mineral lease funds.

HB 134 (2007 GS) Reduced the revenue to this account by eliminating revenue deposited per UCA 53C-3-202, revenues from federal land exchange parcels.

SB 47 (2008 GS) Repealed and modified provisions of the code related to special service districts, which is referenced in the code section for this fund.

This report presents unofficial, unaudited information that is subject to change.

For audited financial statements, see the State of Utah Comprehensive Annual Financial Report at <http://finance.utah.gov/cafr.html>

STATE OF UTAH

Fund Information

HB 63 (2008 GS) Modified Title 63, State Affairs in General, by recodifying and renumbering the content of the title to other parts of the code, which sections were referenced in the code section for this fund.

SB 191 (2010 GS) Modifies the name of certain funds in the code for governmental accounting purposes. Changes the name of certain funds to reflect that the fund are restricted accounts within the General Fund (including this fund).

SB 246 (2016 GS) Transportation Investment Fund of 2005 (reduces TIF earmarks for FY 17 and FY 18). Provides that certain sales and use tax revenue shall be deposited into the Throughput Infrastructure Fund (shifts the reduced portion of the TIF earmarks to this fund for two years). Creates the Throughput Infrastructure Fund, an enterprise fund. The fund will consist of the amounts designated from the TIF earmarks. The Permanent Community Impact Fund Board shall administer the Throughput Infrastructure Fund. The impact board shall: 1- Make grants and loans from the fund; 2 - Use money transferred to the Throughput Infrastructure Fund in accordance with Subsection 59-12-103(14) to provide a loan or grant to finance the cost of acquisition or construction of a throughput infrastructure project to one or more local political subdivisions, or Utah interlocal entity. Creates the Impacted Communities Transportation Development Restricted Account (within the TIF). The account shall be funded from a portion of the 32.5% mineral lease money to the PCIF. Specifies that the Legislature shall appropriate \$26,000,000 of the mineral lease deposits in FY 17, and \$27,000,000 in FY 18. The account shall also be funded from contributions and appropriations by the Legislature. The fund shall earn interest. The Department of Transportation shall administer the account. The bill coordinates with SB 80.

Fund Balance History:

<u>Fund</u>	<u>Year</u>	<u>Beg Balance</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Transfers</u>	<u>End Balance</u>
1326	1981	\$0	\$18,153,385	\$0	(\$18,153,385)	\$0
1326	1982	\$0	\$1,200,000	\$0	(\$1,200,000)	\$0
1326	1983	\$0	\$33,519,835	\$0	(\$33,512,756)	\$7,079
1326	1984	\$7,079	\$35,104,219	\$0	(\$34,801,207)	\$310,091
1326	1985	\$310,091	\$30,699,630	\$0	(\$31,690,339)	(\$680,618)
1326	1986	(\$680,618)	\$28,926,002	\$0	(\$28,245,384)	\$0
1326	1987	\$0	\$20,771,533	\$0	(\$20,771,533)	\$0
1326	1988	\$0	\$28,363,511	\$0	(\$24,164,308)	\$4,199,203
1326	1989	\$4,199,203	\$48,763,711	\$0	(\$53,158,602)	(\$195,688)
1326	1990	(\$195,688)	\$31,009,095	\$0	(\$31,400,797)	(\$587,390)
1326	1991	(\$587,390)	\$28,748,386	\$0	(\$30,375,130)	(\$2,214,134)
1326	1992	(\$2,214,134)	\$28,521,993	\$0	(\$26,307,859)	\$0
1326	1993	\$0	\$27,186,723	\$0	(\$28,296,489)	(\$1,109,766)
1326	1994	(\$1,109,766)	\$29,227,751	\$0	(\$28,117,985)	\$0
1326	1995	\$0	\$26,325,087	\$0	(\$26,325,087)	\$0
1326	1996	\$0	\$28,178,595	\$0	(\$28,178,595)	\$0
1326	1997	\$0	\$31,488,985	\$0	(\$30,856,876)	\$632,109
1326	1998	\$632,109	\$30,484,964	\$0	(\$32,997,701)	(\$1,880,628)
1326	1999	(\$1,880,628)	\$27,246,201	\$0	(\$28,742,562)	(\$3,376,989)
1326	2000	(\$3,376,989)	\$33,556,386	\$0	(\$31,023,957)	(\$844,560)
1326	2001	(\$844,560)	\$49,688,149	\$0	(\$48,843,549)	\$40
1326	2002	\$40	\$30,275,352	\$0	(\$30,275,352)	\$40
1326	2003	\$40	\$40,553,621	\$0	(\$40,553,621)	\$40
1326	2004	\$40	\$63,550,898	\$0	(\$63,550,898)	\$40
1326	2005	\$40	\$83,813,790	\$0	(\$83,813,790)	\$40
1326	2006	\$40	\$126,637,372	\$0	(\$126,637,358)	\$54
1326	2007	\$54	\$122,049,985	\$0	(\$122,049,985)	\$54

This report presents unofficial, unaudited information that is subject to change.

For audited financial statements, see the State of Utah Comprehensive Annual Financial Report at <http://finance.utah.gov/cafr.html>

STATE OF UTAH

Fund Information

Fund Balance History:

<u>Fund</u>	<u>Year</u>	<u>Beg Balance</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Transfers</u>	<u>End Balance</u>
1326	2008	\$54	\$121,145,738	\$0	(\$121,145,738)	\$54
1326	2009	\$54	\$162,848,532	\$0	(\$162,848,532)	\$54
1326	2010	\$54	\$121,924,331	\$0	(\$121,924,331)	\$54
1326	2011	\$54	\$130,496,382	\$0	(\$130,496,382)	\$54
1326	2012	\$54	\$145,796,995	\$0	(\$145,797,049)	\$0
1326	2013	\$0	\$128,264,042	\$0	(\$128,264,042)	\$0
1326	2014	\$0	\$159,312,534	\$0	(\$159,313,334)	(\$800)
1326	2015	(\$800)	\$133,187,210	\$0	(\$133,178,868)	\$7,543
